



EASTERN HEALTHCARE PARTNERS

Investor Presentation

Fall 2013

PROPRIETARY AND CONFIDENTIAL

Executive summary



Vision	<ul style="list-style-type: none">• EHP is an obesity disease management company that manages obesity in individuals and populations through interventions, modifications, and prevention• EHP is currently in the seed/concept phase, with the focus on validating its treatment platform and further developing its disease management tools
Obesity Market	<ul style="list-style-type: none">• Obesity is a huge market with 500 million obese people worldwide – in one year's time there will be 50 million more• The obesity treatment market (<i>company revenues</i>) is at ~\$30B with the surgery segment outgrowing all other segments – direct obesity treatment cost in the US alone are \$170B• Current solutions have failed to cure or prevent obesity and require an integrated care approach to treating the multifaceted and -causal disease
The WellNav™ Program	<ul style="list-style-type: none">• EHP has developed a holistic approach to obesity management through WellNav™ that reorganizes and consolidates the obesity treatment space under one roof• EHP's business model focuses on directing patient volume into its WellNav™ Program• The business model will evolve over time, allowing expansion into population disease management and control of the patient referral stream through WellNav™• EHP is in active discussions with Johns Hopkins Medicine to run an Alpha Pilot Project
Fundraising	<ul style="list-style-type: none">• EHP has raised \$350,000 in the past and is looking to raise an additional \$1M to fund corporate expenses for 12 months• Series A fundraise anticipated to be closed in the 4th quarter of 2014

Agenda

Vision and Team

Obesity Market

The WellNav™ Program

Fundraising

Obesity is a global problem and increasing – EHP has a solution that is available today



Our vision

“We intend to address the burden of obesity and diabetes, the **greatest healthcare challenge** facing the world today, by building an **evidence-based, comprehensive, and integrated care solution** that is backed by the world’s leading medical and research institutions.”



Our values



Patients First: A Moral Responsibility and Good Business Practice



WellNav™ Providers: Caring for the Caregivers



Holistic Evidence-Based Solutions

Innovation: Fusion of Medicine, Technology, and Clinical Expertise

Global Reach: Innovating Where Innovation is Possible

Our Team



Founding and Management Team



Dr. Sam Bakri
CEO & Founder



Marc Jang
President & COO



Tom Hoster
CFO



Michael Mok
EVP



Matt Kennedy
VP Business Dev.



Michael Bieri
VP Strategy

Directors



Prof. Rifat Atun
Executive Chairman



Seth Moulton
Vice Chairman & Co-Founder



Michael Fiore
Lead Director



Naji Boutros
Investor Director

Advisors



Prof. Thomas Zeltner
Chairman, Advisors



Sir Peter Davis
Senior Advisor



Prof. David Goldsmith
Senior Advisor



Lise Balk King
Senior Advisor



Claire Qureshi
Senior Advisor

Clinician Partners at Johns Hopkins



Prof. Jay Pasricha
Physician Sponsor



Prof. M. Schweitzer
Head Bariatric Surgery



Prof. Jeanne Clark
Internal Medicine



Prof. C. Lyketsos
Chairman Psychiatry



Prof. K. Steele
Bariatric Surgery

Note: Detailed CVs in the Appendix

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Obesity Market

The WellNav™ Program

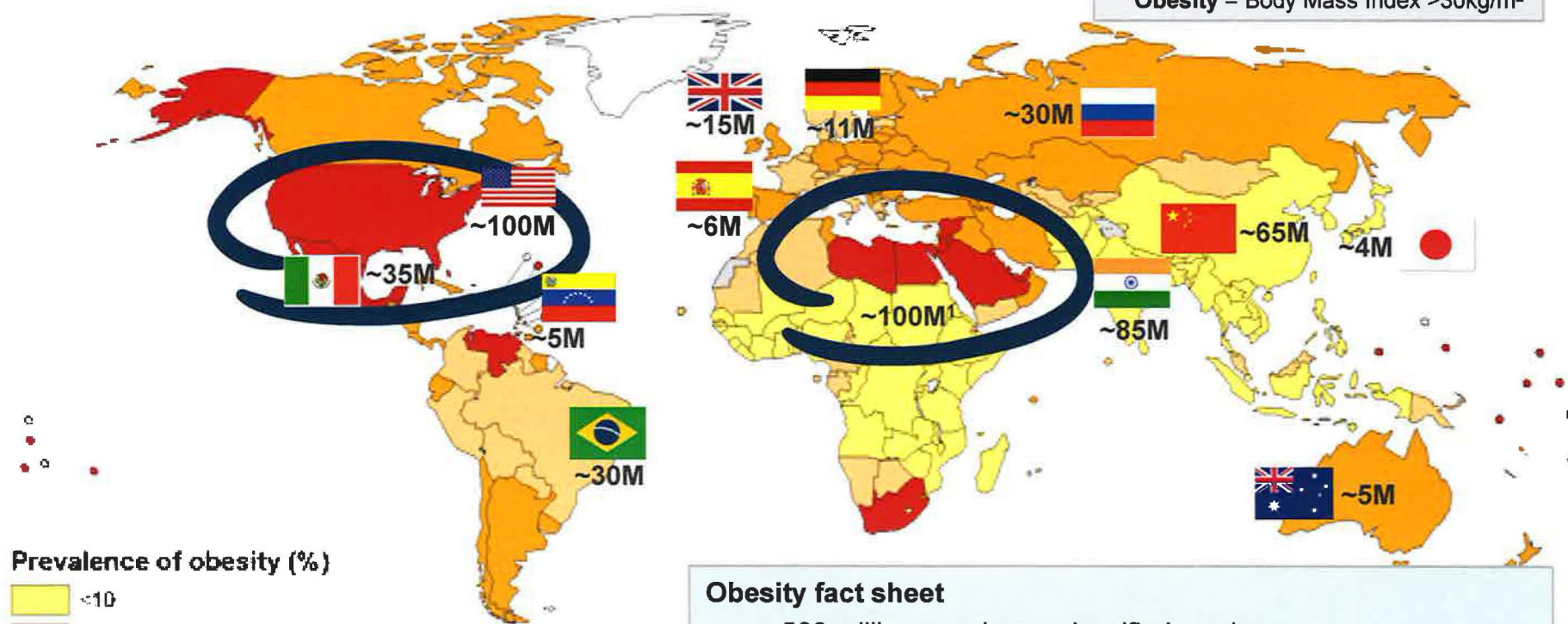
Fundraising

Obesity – a global problem most prevalent in the US and the Middle East & North Africa (MENA)



The global obesity epidemic

Obesity = Body Mass Index $>30\text{kg/m}^2$



Obesity fact sheet

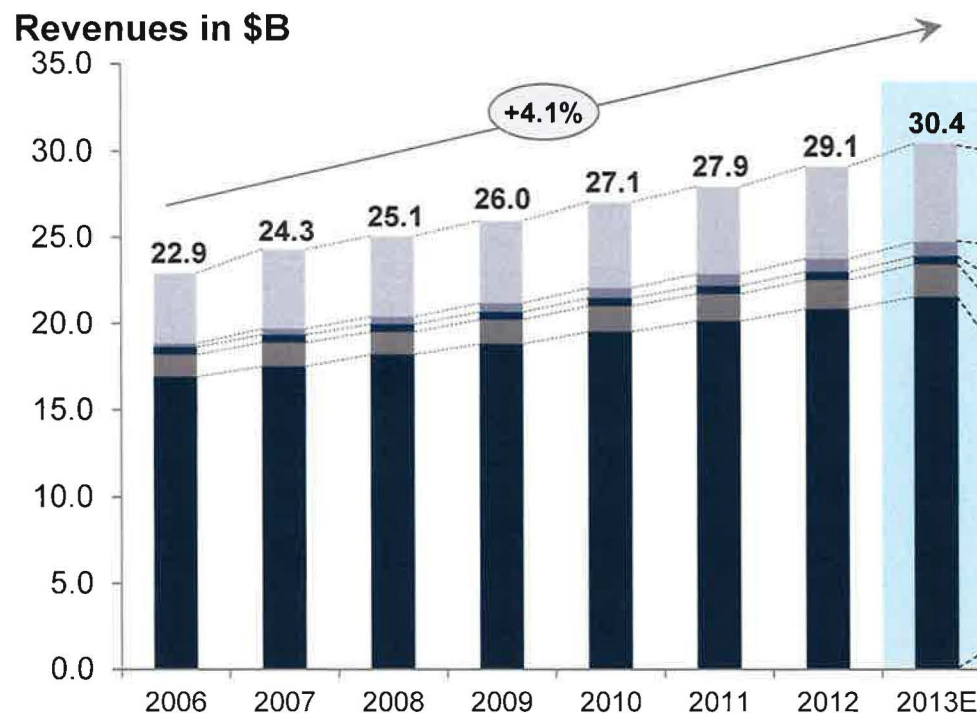
- > 500 million people are classified as obese
- 50 million more obese in one year's time
- Multicausal disease (environment, genetics, diet, awareness)
- \$170B direct treatment cost due to obesity in the US
- Growing prevalence worldwide (US: 50% in 2020)

1. Includes: Algeria, Bahrain, Egypt, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Libya, Morocco, Oman, Palestine, Qatar, Saudi Arabia, Sudan, Syria, Tunisia, UAE
Source: WHO

Global weight loss market is around \$30B – new technologies will enhance current growth levels



Weight Loss and Diet Management Market



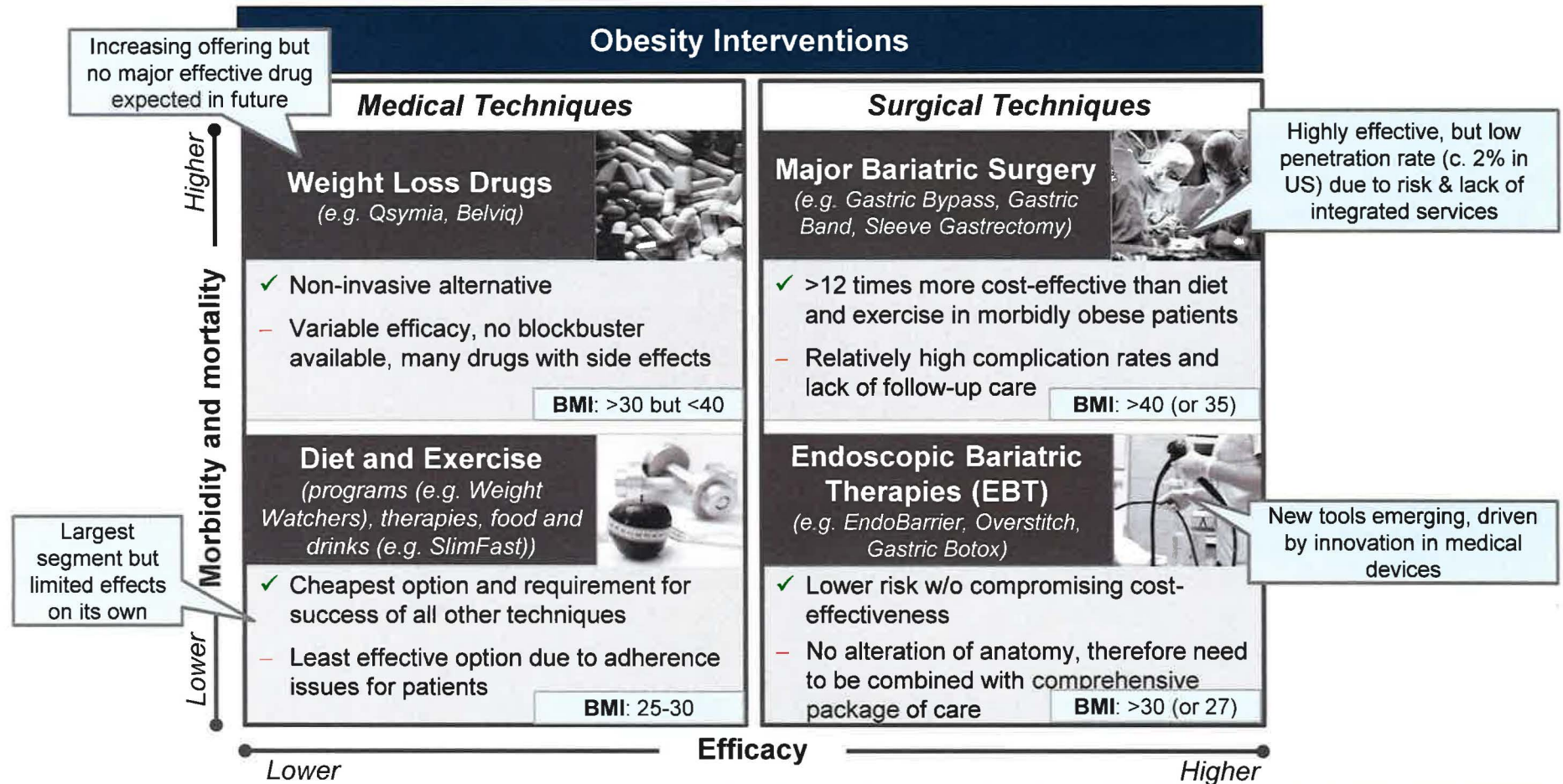
Note: Number only includes device manufacturers' revenues and not service providers' revenues

	Size in \$M ('12)	CAGR ('06-'13)	CAGR ('06-'09)
1 Weight Loss Programs	5,434	4.9%	5.3%
2 Surgical Interventions	762	23.5%	38.4%
3 Natural Therapies for Weight Loss	460	1.2%	1.3%
4 Weight Loss Drugs	1,712	5.1%	2.9%
5 Diet Foods and Drinks	20,789	3.5%	3.7%

Bottom-up analysis for surgery market:
c.300,000 surgeries worldwide at average price of \$10,000-\$20,000 → \$3-\$6B market

EHP's offering covers the [1] weight loss program and [2] surgical intervention segments – a large market with significant future growth potential

Current market solutions offer different risk-efficacy profiles, but lack integrated care



A growing awareness of obesity costs has created a significant unmet need for cost-effective interventions

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The WellNav™ Program

EHP's holistic approach to obesity management



WellNav is obesity in a box



*Transformational
approach*

The WellNav™ Program reorganizes and consolidates the obesity treatment space under one roof

Comprehensive obesity management program for anyone interested in treating or preventing obesity



*Comprehensive
care offering*

Multi-disciplinary approach integrating medical, surgical, & behavioral care with personalization & comorbidity care coordination

Patient-centered care with a Personal Navigator who stays with the patient for the program and provides coaching to stay on track



*Driven by
innovation*

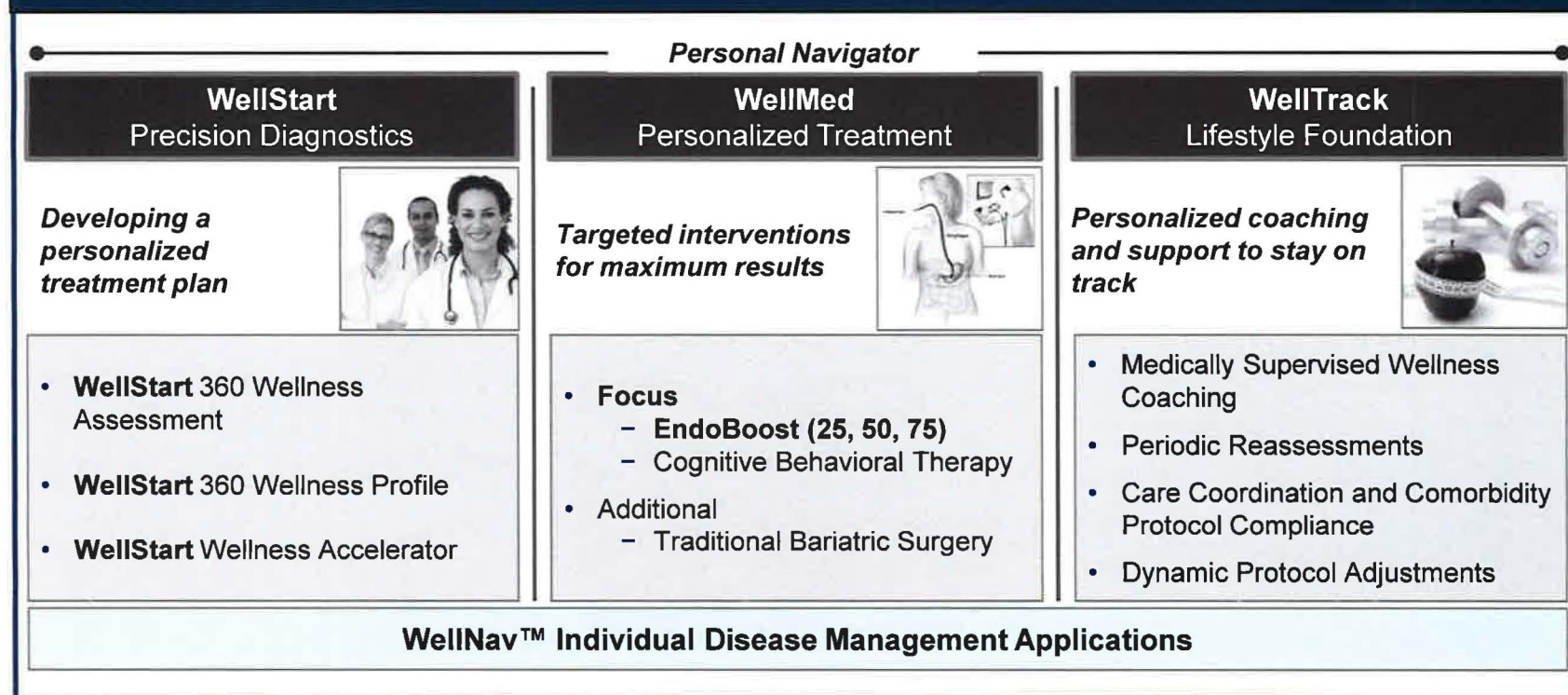
IT-enabled service leveraging the latest innovations in personalized medicine, health informatics, and endoscopic bariatric therapies

Developed by the world's leading clinicians and in cooperation with leading medical teaching institutions

EHP's product service offering to transform obesity care and provide superior outcomes



WellNav™ – Obesity Management Program



WellNav™ is currently in the conceptual design stage and is ready to be operationalized in an alpha format

WellNav™ addresses critical existing gaps and inefficiencies in obesity care



WellNav™ vs. Current Market Issues

<i>Personal Navigator</i>		
WellStart Precision Diagnostics	WellMed Personalized Treatment	WellTrack Lifestyle Foundation
<div>Current market issue</div> <ul style="list-style-type: none"><input type="checkbox"/> Lack of holistic patient assessment to address multicausal and complex nature of the disease<input type="checkbox"/> Lack of multidisciplinary team and joined-up coordinated services <div>Need for accurate patient assessment and stratification</div>	<div>Current market issue</div> <ul style="list-style-type: none"><input type="checkbox"/> Cookie-cutter solutions (esp. surgical)<input type="checkbox"/> Lack of personalization of treatment approach<input type="checkbox"/> Treatment approaches often risky → need for innovation <div>Need for individualized treatment addressing root causes</div>	<div>Current market issue</div> <ul style="list-style-type: none"><input type="checkbox"/> Lack of follow-up care post surgery<input type="checkbox"/> Low patient compliance and engagement<input type="checkbox"/> Lack of data-driven and evidence-based care <div>Need for long-term care to ensure patient compliance</div>
<div>WellNav™ overcomes existing market issues through</div> <ul style="list-style-type: none"><input type="checkbox"/> Developing a personalized treatment plan, patient-centered and comprehensive<input type="checkbox"/> Targeted interventions for maximum results, specifically addressing patient needs<input type="checkbox"/> Personalized coaching and support to stay on track, ensuring patient compliance		



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WellMed™ will focus on EBTs

Targeted interventions for maximum results



EndoBoost 75

EndoBarrier® Therapy



Description

- Liner placed in small intestine to create barrier btw. food and wall of intestine
- Rapid glycemic control and weight loss
- Developed by GI Dynamics

Stage

- In late stage clinical trials; 20% weight loss in 12 months
- Device has CE mark and is in FDA approval process
- Used in various centers around the world
- IPO in Australia

EndoBoost 50

Overstitch® Endoscopic Suturing System



- Stomach outlet is sewn smaller following gastric bypass and stretched-out stomach pouch
- Developed by Apollo Endosurgery

- Device has CE mark; device (not bariatric procedure) has FDA approval
- First in-human cases have been performed
- Company plans to launch in several European markets

EndoBoost 25

Gastric Botox Therapy

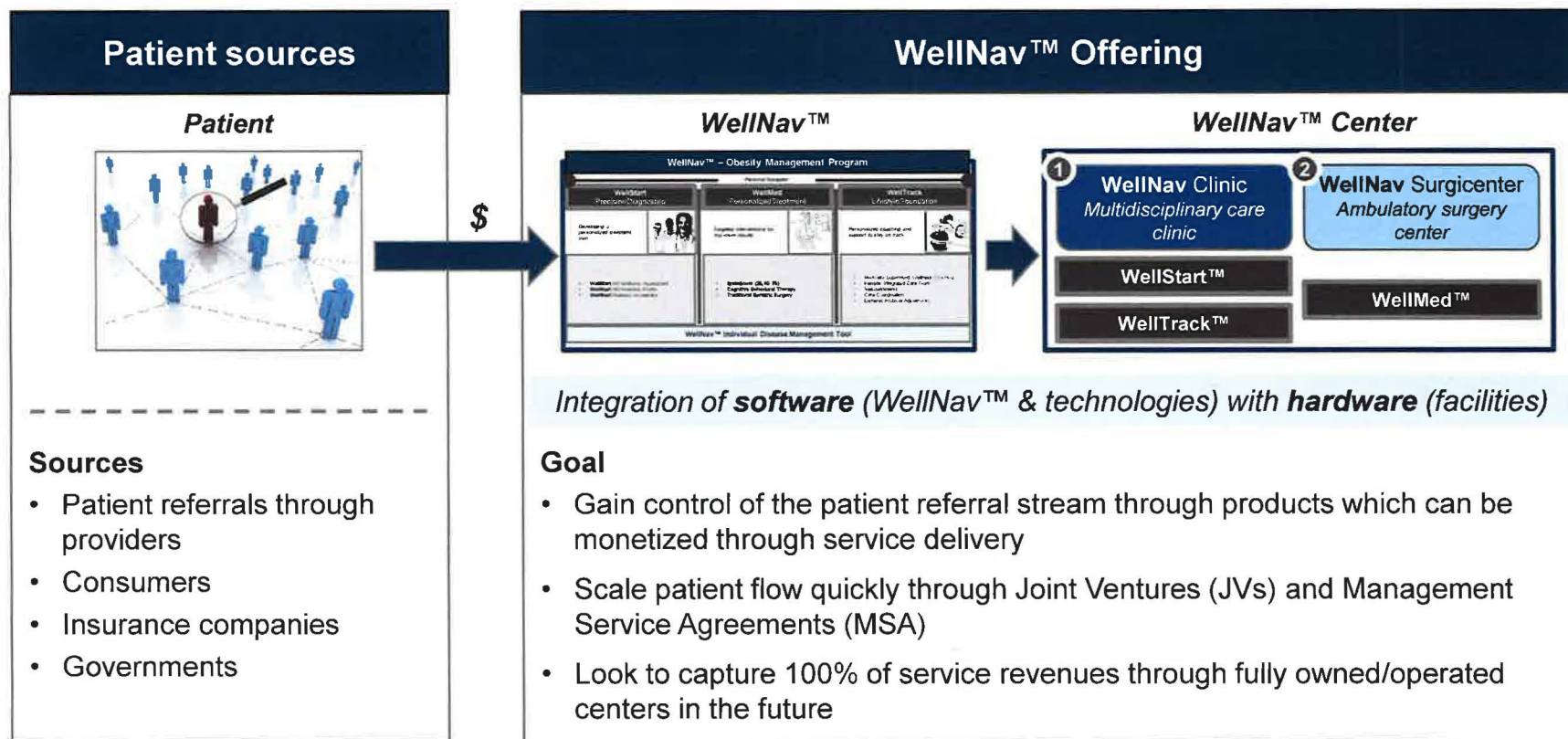


- Injection of small doses of botulinum toxin-A reduces muscle activity
- For patients with BMI btw. 26 and 40 who wish to lose between 10 and 50 pounds

- Safe procedure but no clinical trial yet; can be used off-label
- Several studies have proven effectiveness
- Delays gastric emptying, increases satiation, and reduces body weight
- Only effective for short time

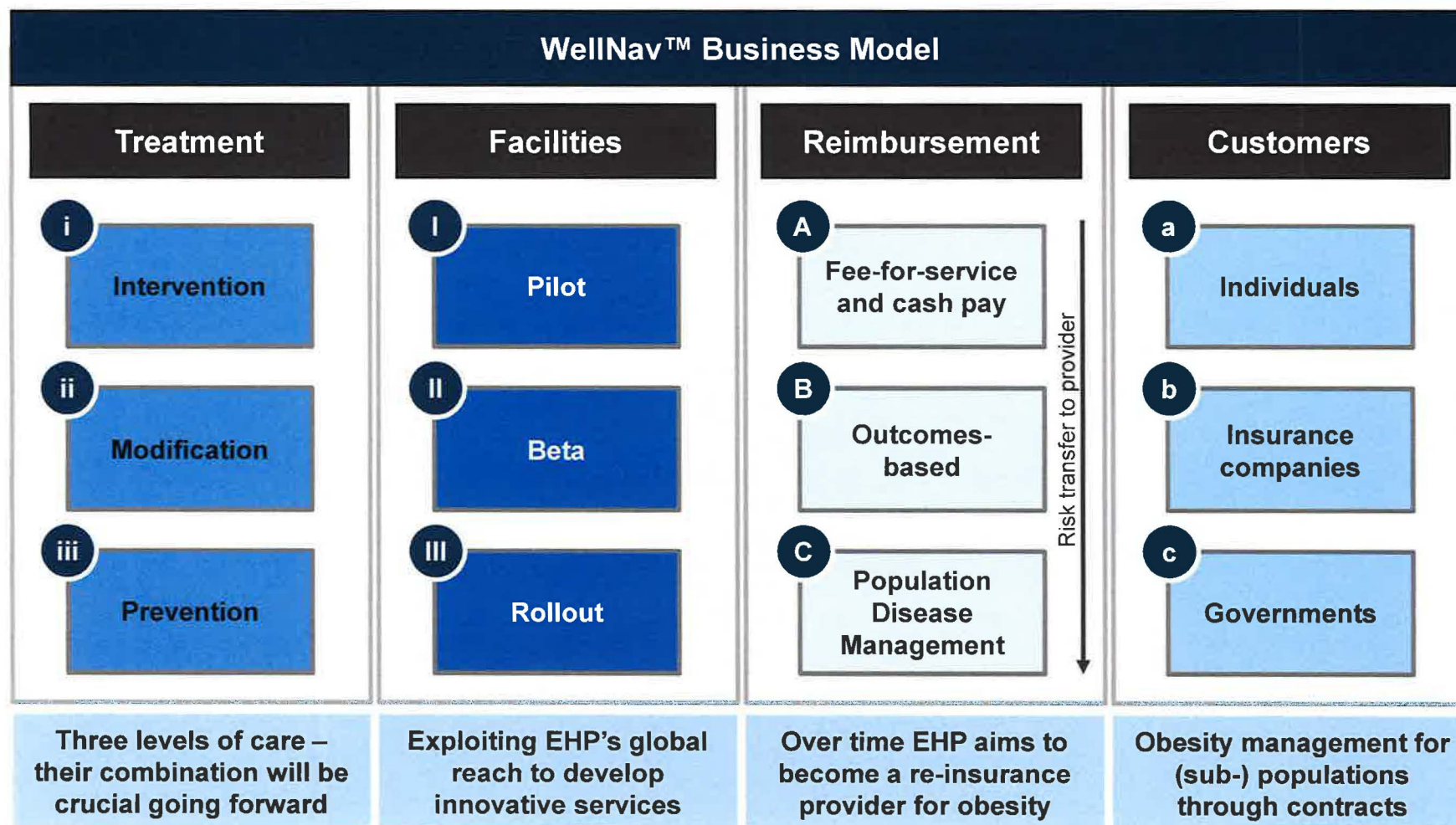
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EHP's business model focuses on directing patient volume into its WellNav™ Program



EHP's WellNav™ offering will be further developed over time, allowing greater patient volumes and a multitude of patient sources

The business model will evolve over time, allowing expansion into population management



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EHP aims to develop a Population Disease Management tool based on collected patient data



Initial focus

WellNav™ Individual Disease Management



Individual disease management

- Predictive modeling tool to determine the best treatment for individuals (*precision diagnostics*)
- Unravels relationship btw. inputs & outcomes
- Service architecture to amass data on treatments

Patient stratification allows for

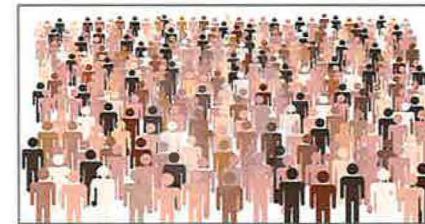
- Better outcomes
- Lower costs
- Simplified processes

Focus

Monetization

Over time

WellNav™ Population Disease Management



Comprehensive population management

- Aggregation of collected patient data
- Predictive modeling for of targeted obesity interventions for a population or sub-population
- Accurate internal pricing tool

Pricing for population allows for

- Reinsurance product that off-takes the risk from insurance companies and government
- Payment for entire (sub-) population
- Drives referrals into EHP's WellNav™ Centers

Aim: to gain control of the patient referral stream through WellNav™ offering, risk sharing agreements with payers, and populations reinsurance, to direct & monetize patient traffic efficiently

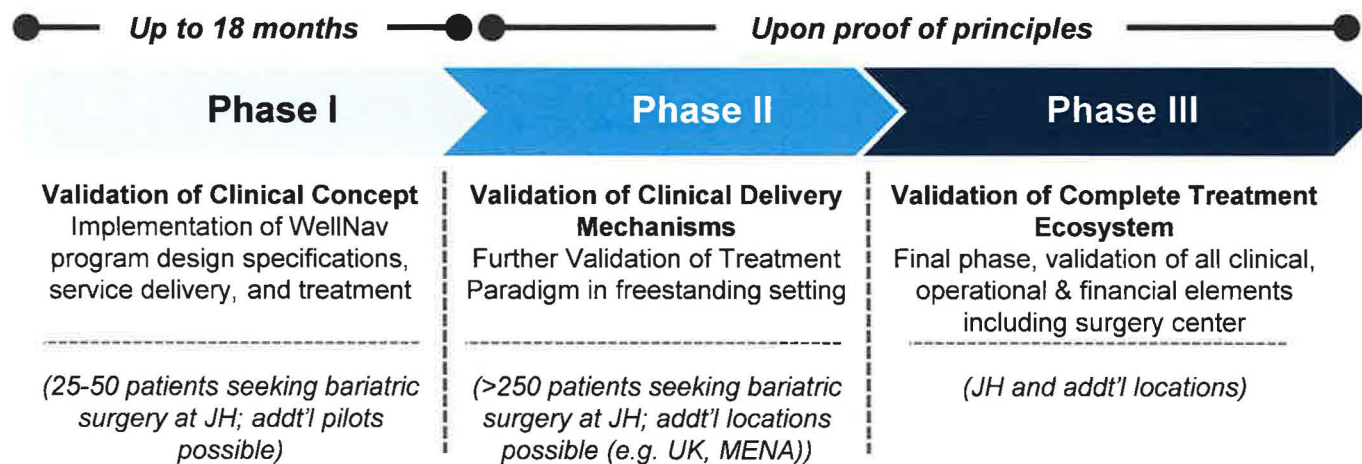
EHP will run an Alpha Pilot Project with Johns Hopkins Medicine



EHP and Johns Hopkins Medicine Collaboration

- Johns Hopkins Medicine (JHM) and EHP are discussing the formation of a strategic partnership via a Collaboration Agreement to conduct an Alpha Project for WellNav™
- EHP can leverage JHM's existing facilities, networks, payment contracts, and staff, while JHM provides clinical validation, and enhances the credibility

Alpha project will be accomplished through three-phased approach



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EHP will raise \$1 million in seed funding for the next 12 months



Seed fund

- EHP is looking to raise an addtl \$1M to fund corporate expenses for 12 months
- EHP has raised \$350,000 to date
- Convertible note bearing 6% coupon, conversions discount at 25% & valuation cap at \$10M

<u>Oct 2013 - Sep 2014</u>		
Revenues	\$	45,000
Salaries Subtotal	\$	309,540
Prof Services	\$	324,000
Office Expenses	\$	76,600
Travel	\$	284,400
Total	\$	949,540
Accruals	\$	53,500
Total	\$	1,003,040

Goals of the Seed

- ☐ *Implementation of WellNav™ Program through Alpha Pilot at Johns Hopkins University*
- ☐ *Moving the Alpha Pilot at Johns Hopkins University to a viable beta state whereby it can be scaled*
- ☐ *Continued validation of the WellNav™ Program as a more effective treatment option*
- ☐ *Substantial progress in achieving insurance reimbursement with a reference insurer*
- ☐ *Establishment of 2-3 additional pilot and/or beta sites*

Series A fundraising anticipated to be closed by 4th quarter 2014

Appendix

Founding and Management Team



Dr. Sam Bakri
CEO & Founder

Background

- CEO and Co-Founder of Kind Consumer
- Former Medical Director at Roche
- Broad healthcare experience in multiple sectors and geographies
- Fluent in English, French and Arabic

- *MBA Harvard University*
- *MD University of London*



Marc Jang
President & COO

Background

- President and CEO Titan Health Corp. – sold to United Surgical Partners for \$50M
- VP Sutter Surgery Centers and VP ASC Network
- Over 25 years experience in facility mgmt.

- *BA Economics University of California at Los Angeles*



Tom Hoster
CFO

Background

- Over 25 years experience in the Silicon Valley
- CFO of 6 startups with 1 IPO
- Incl. EndoGastric Solutions, Workshare Technology, Seven Networks, @Road, ClickAction

- *MBA Stanford University*
- *BS Engineering Princeton University*



Michael Mok
EVP

Background

- DoD Officer with \$30M research budget (including big data research)
- Special assistant for DoD and VA on healthcare reform
- US Marines Communications Officer with two tours in Iraq

- *MBA Chicago University*
- *MPP Harvard University*
- *BS Georgetown University*



Matt Kennedy
VP Business Dev.

Background

- Founder and CEO of Kennedy Merchant Partners
- Director for Strategic Partnerships at US Commerce Dept.
- Senior roles at Dept. of Treasury and the White House

- *MBA Harvard University*
- *BS Management and Engineering Stanford University*



Michael Bierl
VP Strategy

Background

- Consultant with The Boston Consulting Group
- Member of BCG Healthcare and Market Access Practice Groups
- Research on health economics of obesity at UK Health Forum

- *MSc Health Economics, London School of Economics*
- *BSc Management Univ. of Bayreuth*

Directors



Prof. Rifat Atun
Executive Chairman

Background

- Imperial College Business School/ Faculty of Medicine
- Head of Strategy and Chairman of the Investment Committee at The Global Fund to Fight AIDS, TB and Malaria (US\$2.5 B)
- Research and advisory work on health systems in >30 countries

• MD/MBA Imperial College/University of London



Seth Moulton
Vice Chairman & Co-Founder

Background

- US Marines Infantry Officer with 4 combat tours in Iraq
- Special Assistant to General David Petraeus (2004 to 2008)
- Managing Director of a private high-speed rail project in Texas
- Pioneered electronic medical records in post-earthquake Haiti

• MBA, MPA, AB Physics Harvard University



Michael Fiore
Lead Director

Background

- CEO and Founder of Vantage Oncology (\$50M EBITDA, 1000+ employees)
- Former COO of Salick Health Care (sold to AstraZeneca \$480M)
- CEO and Founder of Interdent (350 dental locations) (IPO)
- 2010 Ernst & Young Entrepreneur of the Yr.

• MBA Harvard University
• BS New York University, CPA
• BA Amherst College



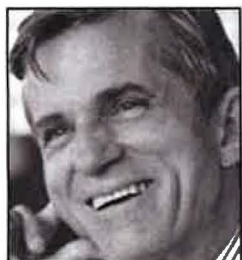
Naji Boutros
Investor Director

Background

- Founder and Managing Partner of Edge Capital
- Former Head of Merrill Lynch European Real Estate Division, London
- Former Partner at Colony Capital
- Former Chairman of La Tour Hospital, CH
- Founder of Chateau Belle-Vue, Lebanon, social enterprise winery

• MS Management and Engineering Stanford University
• BS Univ. of Notre Dame

Advisors



Prof. Thomas Zeltner
Chairman, Advisors

Background

- Current Special Envoy to the Director General of the WHO
- Former Health Minister of Switzerland 1991-2009
- Vice-President of the Executive Board of the WHO
- Professor of Public Health at University of Berne and Harvard School of Public Health
- Recognized leader in international healthcare
- MD, LL.M. University of Berne



Sir Peter Davis
Senior Advisor
(Strategy)

Background

- Former Chief Executive of Reed Intl/Reed Elsevier, Prudential, and J Sainsbury plc
- Former Non-executive Director of Boots, Cadbury Schweppes, Granada, and BSB
- Former Main Board Director at UBS AG
- Former Senior Advisor and Member of Advisory Board of Permira
- Multiple role in different organizations incl. Chairman of Marie Curie Cancer Care



Prof. David Goldsmith
Senior Advisor
(Clinical)

Background

- Professor of Cardio-Renal Medicine, Kings College London; 300+ publications
- Vice-Chairman, Kind Consumer
- Clinical Director at the National Institute of Health Research, UK
- Research interests: prevention of diabetes and cardiovascular risk in renal failure
- Advised Middle Eastern governments and numerous pharma companies



Lise Balk King
Senior Advisor
(Tribal Partnerships)

Background

- Fellow at the Carr Center for Human Rights Policy, Harvard University, and founder of the Initiative on Indigenous and Native American Rights
- > 20 years of experience in social entrepreneurship, media, and communications
- Vast experience living and working in Indian Country, incl. public health projects
- MPA Harvard University



Claire Qureshi
Senior Advisor
(Strategy)

Background

- Works for the MDG Health Alliance, a group of partners focused on accelerating progress toward the health Millennium Development Goals
- Former management consultant at McKinsey & Company with focus on healthcare
- Former Senior Program Officer at the Results for Development Institute
- MBA Harvard University and BA Yale University

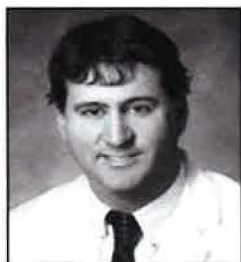
Clinician Partners at Johns Hopkins Medicine



Prof. Jay Pasricha
Physician Sponsor

Background

- Professor of Medicine, Director of Digestive Disorders (Bayview), Director of the Johns Hopkins Center for Neurogastroenterology
- > 200 manuscripts and book chapters
- America's "Top Docs" as well as "Best Doctors" in Gastroenterology
- Over 30 patents related to gastrointestinal diagnostics & therapeutics; co-founder of Apollo Endosurgery



Prof. M. Schweitzer
Head Bariatric Surgery

Background

- Director, Johns Hopkins Center for Bariatric Surgery
- Director, Minimally-Invasive Surgery at Johns Hopkins Bayview Medical Center
- First surgeon in the mid-Atlantic area to perform laparoscopic Roux-en-Y gastric bypass
- Over 1000 laparoscopic bariatric operations
- Chair of membership committee for the American Society of Bariatric Surgeons



Prof. Jeanne Clark
Internal Medicine

Background

- Professor of Medicine and Associate Director of Division of General Internal Medicine
- Joint appointments in Gastroenterology & Hepatology and Dept. of Epidemiology
- Inaugural recipient of the Frederick Brancati M.D. Endowed Professorship in Medicine
- Focus of research on epidemiology and treatment of obesity and its consequences



Prof. C. Lyketsos
Chairman Psychiatry

Background

- Professor of Psychiatry and Behavioral Sciences and Professor and Chair of Psychiatry, Johns Hopkins Bayview
- Founding director of the Johns Hopkins Neuropsychiatry Service
- Research focus on identification of novel treatments for depression in Alzheimer's disease, biomarkers that may be used to track response to treatment, and risk factors



Prof. K. Steele
Bariatric Surgery

Background

- Assistant Professor of minimally-invasive and bariatric surgery at Johns Hopkins
- Research interests include neurochemical and metabolic effects of bariatric surgery and operative techniques in laparoscopic surgery
- Member of the Society of American Gastrointestinal Endoscopic Surgeons, and the American College of Surgeons



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Transforming Healthcare

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